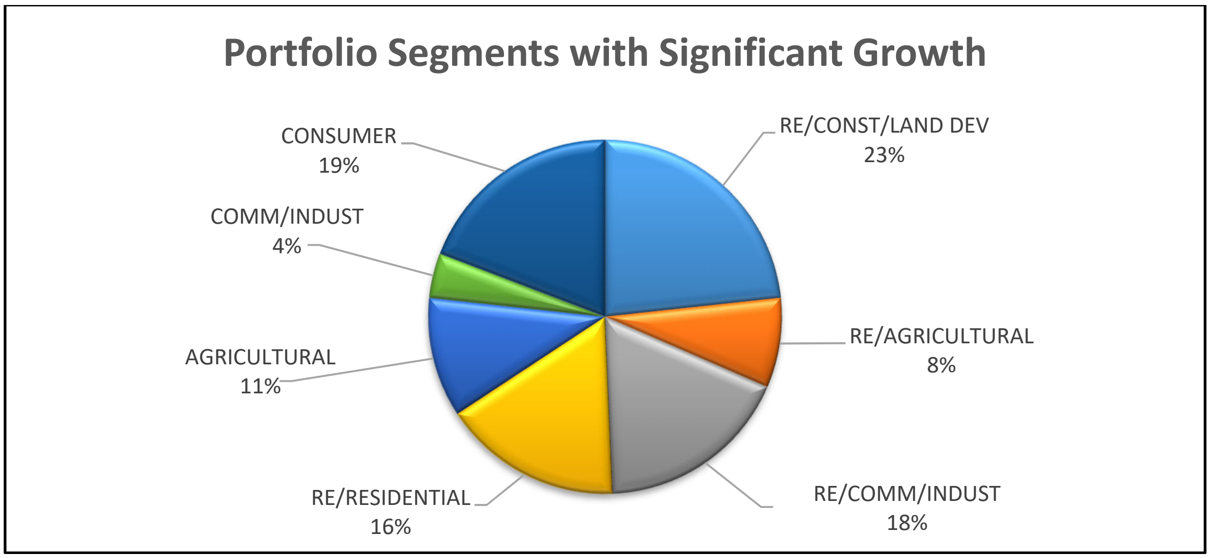
This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined each quarter. This report compiles information from all 4 quarters in 2022 to provide a full picture of the banks that were examined during the year.

Date: **FULL YEAR 2022** Number of Banks Examined: **69**

LENDING

1. Since the last examinations, **35** banks had significant growth in at least one segment of the portfolio. Significant is defined as an increase of 20% or more. The following graph illustrates the portfolio segmentation in the **35** banks for the identified growth. While growth was diversified among several segments, real estate related loans comprised 66% of the overall growth.



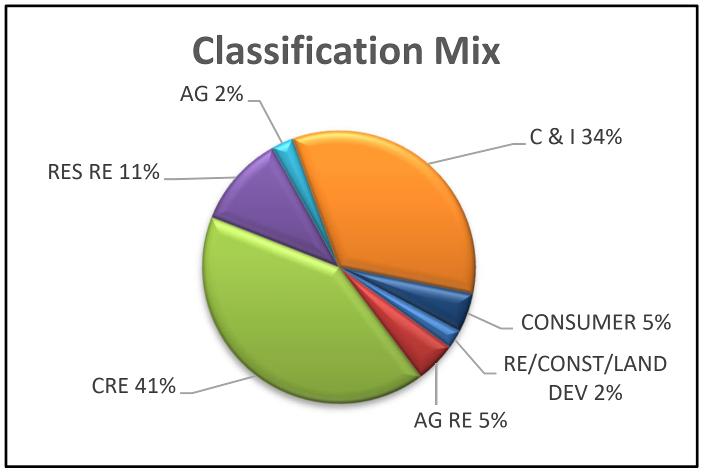
2. Banks examined during the year are not incurring "more than normal" risk when booking new loans or modifying existing credits as risk indicators were only noted in a total of **3** banks. Risks included collateral dependency, lack of CF analysis, and liberal repayment terms.

3. The majority of the banks examined remain conservative in underwriting practices across all loan types reviewed. Moderate practices were noted in an average of **16%** of the banks across all loan types, with **no** banks exhibiting liberal underwriting practices.

4. Agriculture loans represent more than 20% of total loans in **26** banks examined. The potential exposure to Ag risks in these banks is mostly minimal, with the majority noting low risk related to drop in values, phase out, or carryover. However, drop in land values was identified as a moderate or substantial risk in **27%** of these banks.

5. The Adversely Classified Items Coverage ratio decreased or remained unchanged in **55** of the banks examined. The average decrease was **6.3%**. An average increase in classifications of only **2.4%** was observed in the remaining banks, primarily attributed to deterioration in existing loans and economic factors.

6. The mix of total loan classifications for all **69** banks is illustrated in the adjacent pie chart. Total commercial loans make up **75%** of total classifications. This is expected due to the size of the commercial portfolios and effects of the pandemic on businesses.



OPERATIONAL

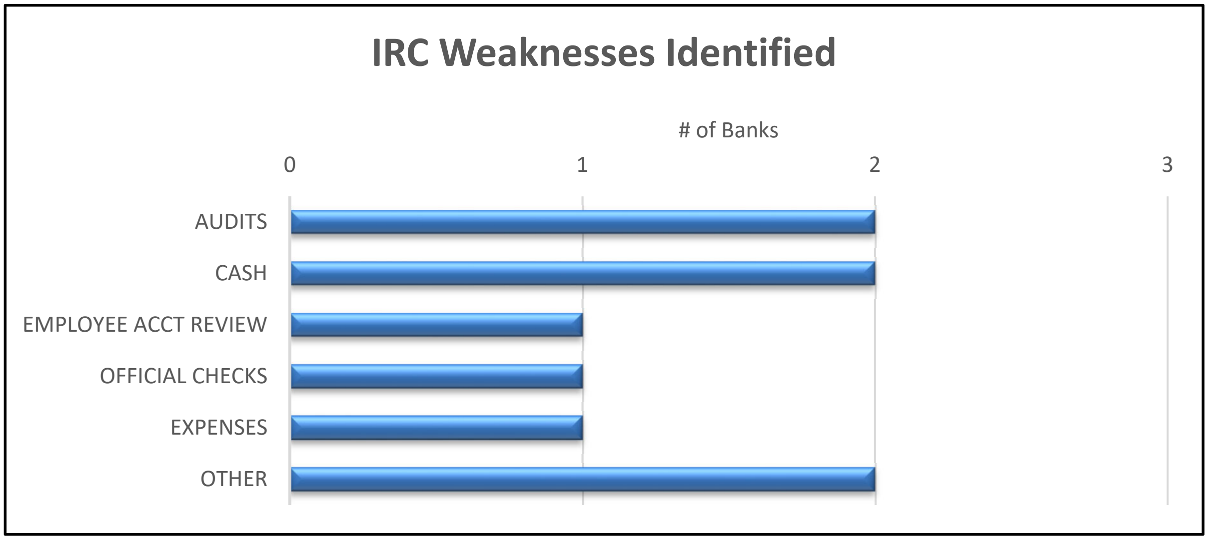
7. Banks examined primarily exhibit conservative policies and practices in relation to investments. Moderate risk was noted in **11** banks, with **none** in the liberal category.

8. Banks examined also exhibited conservative policies and practices in relation to funds management. **7** banks were identified as moderate risk, with **1** reflecting liberal practices.

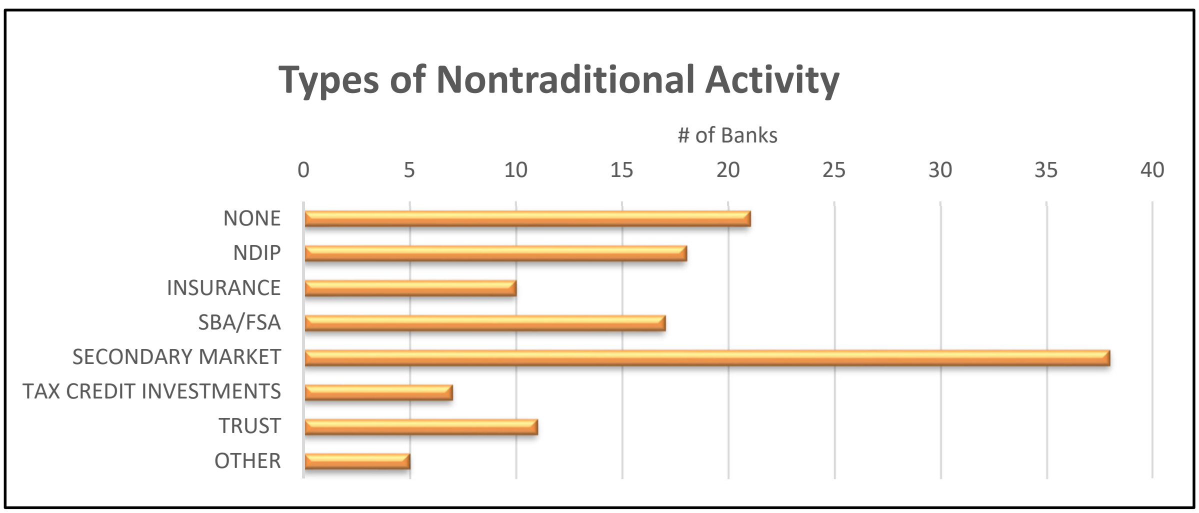
9. Examinations identified funding concentrations in only **3** of the banks examined. The low volume is primarily the result of additional pandemic-related liquidity in the banks. We expect this number to rise as liquidity positions tighten.

10. Examinations also identified only **4** bank that holds a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.

11. The overall level of banks with Internal Routine and Control weaknesses is limited with no weaknesses noted in **62** banks. The chart below represents the frequency that the following types of IRC weaknesses were observed. The other category weaknesses involved Bank Secrecy Act compliance procedures.



12. The majority of the banks examined engage in nontraditional activities, with **55%** participating in secondary market lending. The following chart shows the types of activity observed. Other nontraditional activities consisted of prepaid debit card services, wealth management referrals, tax credit lending, mortgage servicing, and capital markets groups.

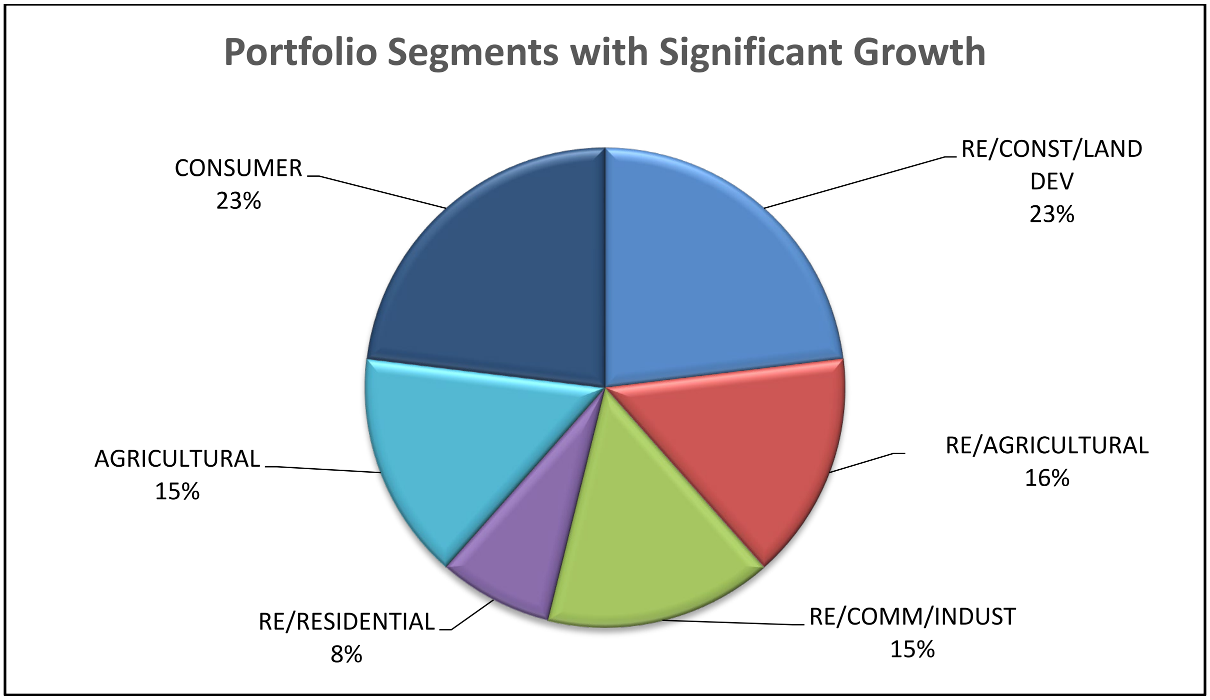


This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined during the quarter.

Date: **FIRST QUARTER 2022** Number of Banks Examined: **14**

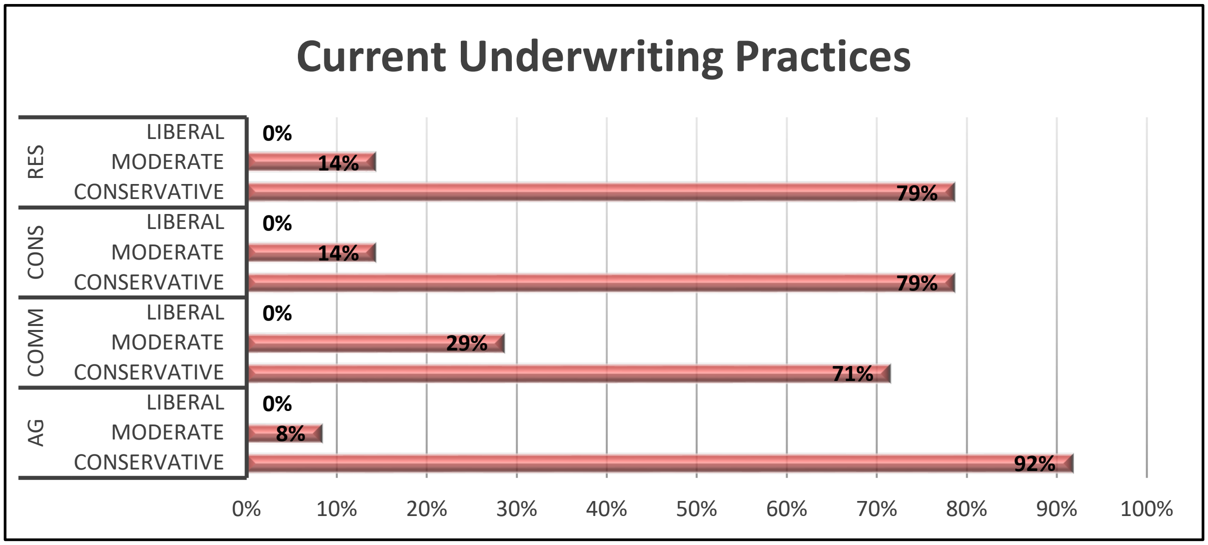
LENDING

1. Since the last examinations, **6** banks had significant growth in at least one segment of the portfolio. Significant is defined as an increase of 20% or more. The following graph illustrates the portfolio segmentation in the **6** banks for the identified growth. PPP loans no longer have an impact on any of the growth segments.

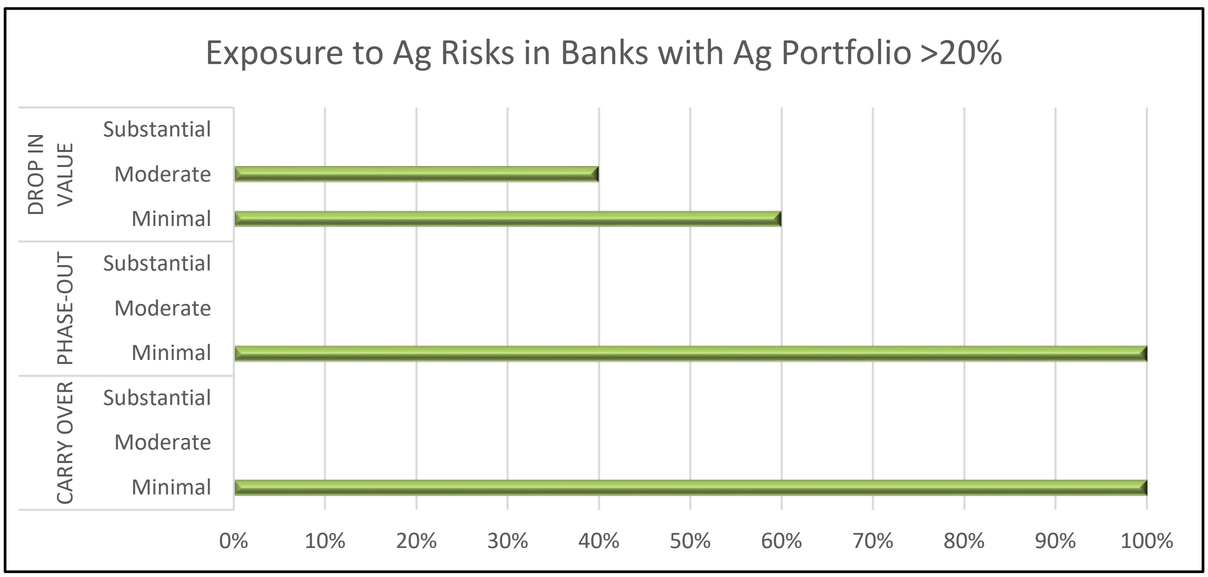


2. Indications of incurring "more than normal" risk when booking new loans or modifying existing credits was noted in only **1** of the banks during the quarter. Collateral dependence, lack of cash flow analysis, and liberal repayment terms were cited.

3. The majority of the banks examined in this quarter remain conservative in underwriting practices across all loan types reviewed. The following graph reflects the current level of underwriting practices observed in each of the four main lending areas.

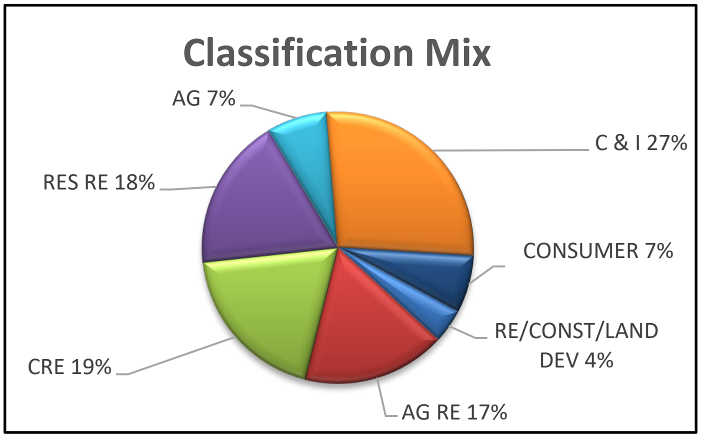


4. Agriculture loans represent more than 20% of total loans in **5** banks examined. The potential exposure to Ag risks in these banks is mostly minimal.



5. The Adversely Classified Items Coverage ratio increased in only **1** of the banks examined. The increase was nominal and due to a decline in capital levels.

6. The mix of total loan classifications for **13** of the banks is illustrated in the adjacent pie chart. A large bank is excluded as it consisted mostly of C&I loans and heavily affected the overall percentages. With this bank excluded, classifications are more diversified, but remain mostly concentrated in commercial related loans.



OPERATIONAL

7. Most of the banks examined during the quarter exhibit conservative policies and practices in relation to investments. Moderate risk was noted in **2** banks, with **none** in the liberal category.

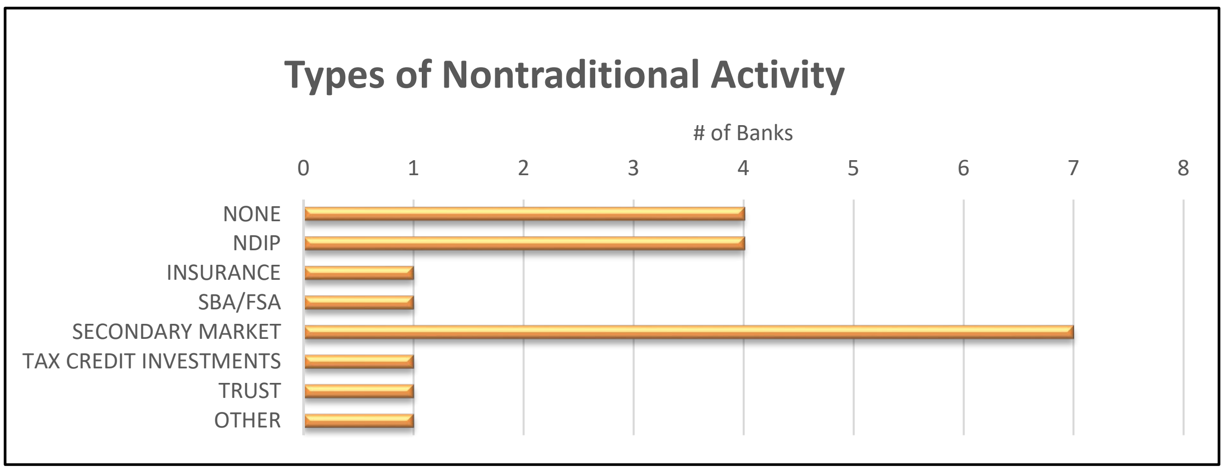
8. The majority of the banks examined during the quarter exhibit conservative funds management policies and practices. Moderate risk was noted in **1** bank, with **none** showing liberal risk.

9. Examinations identified funding concentrations in **none** of the banks examined.

10. Examinations noted **1** bank that holds a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.

11. Examiners noted **1** bank during the quarter with Internal Routine and Control weaknesses. Weaknesses were related to cash and expense account procedures.

12. Several of the banks examined engage in nontraditional activities, as shown in the chart below. Other nontraditional activity includes prepaid debit cards.

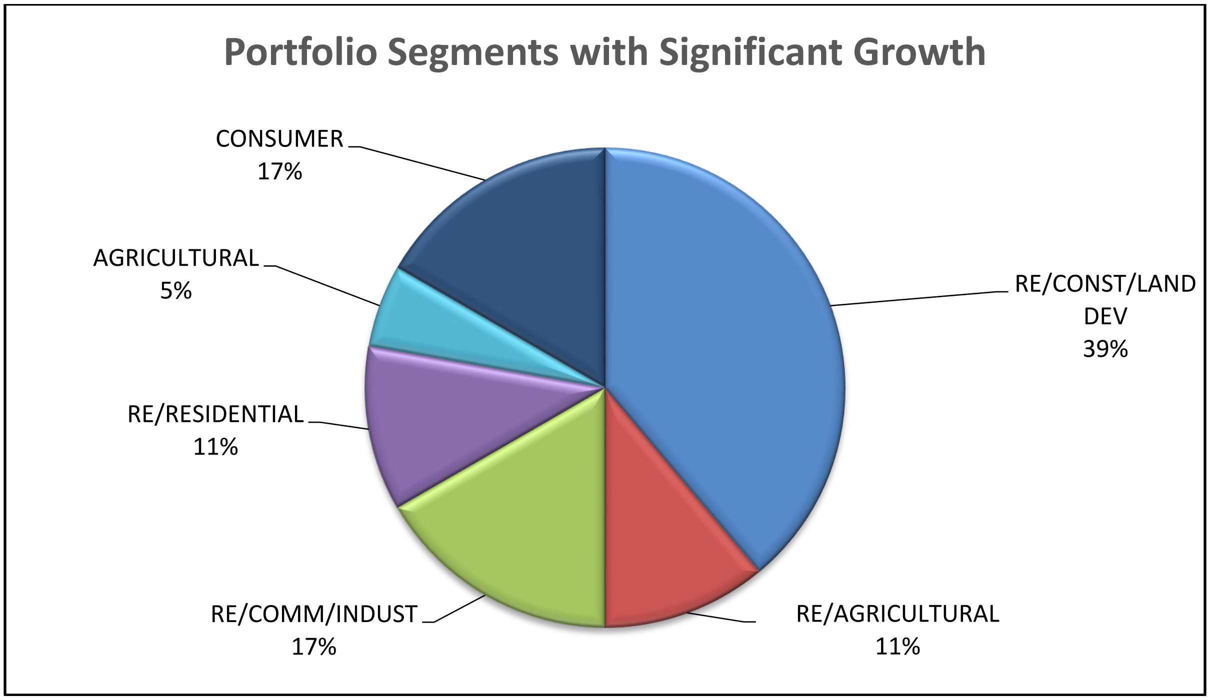


This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined during the quarter.

Date: **SECOND QUARTER 2022** Number of Banks Examined: **19**

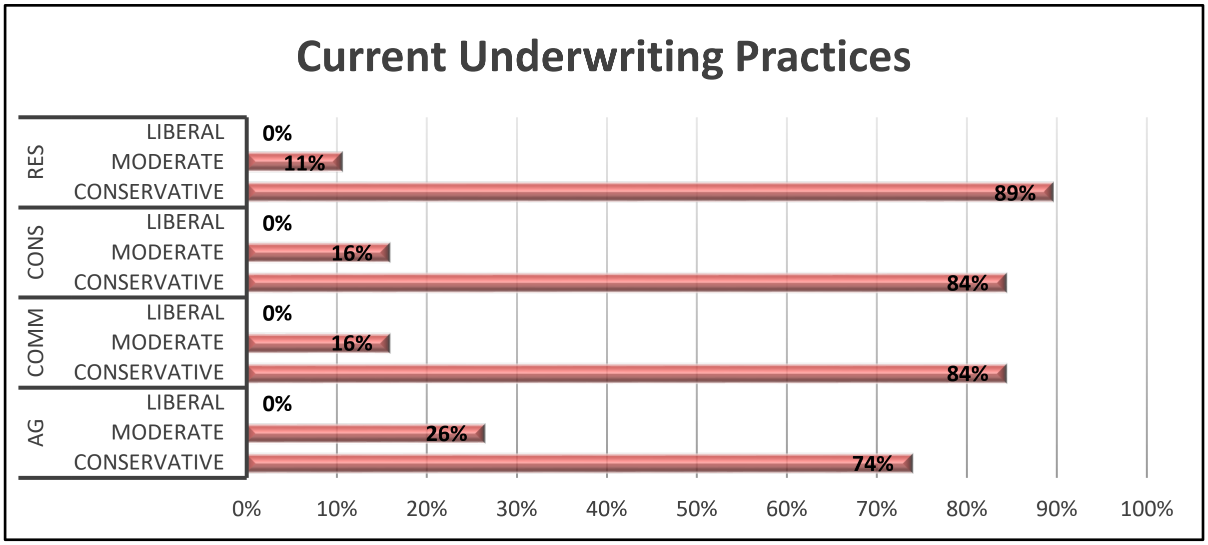
LENDING

1. Since the last examinations, **9** banks had significant growth in at least one segment of the portfolio. Significant is defined as an increase of 20% or more. The following graph illustrates the portfolio segmentation in the **9** banks for the identified growth. PPP loans no longer have an impact on any of the growth segments.

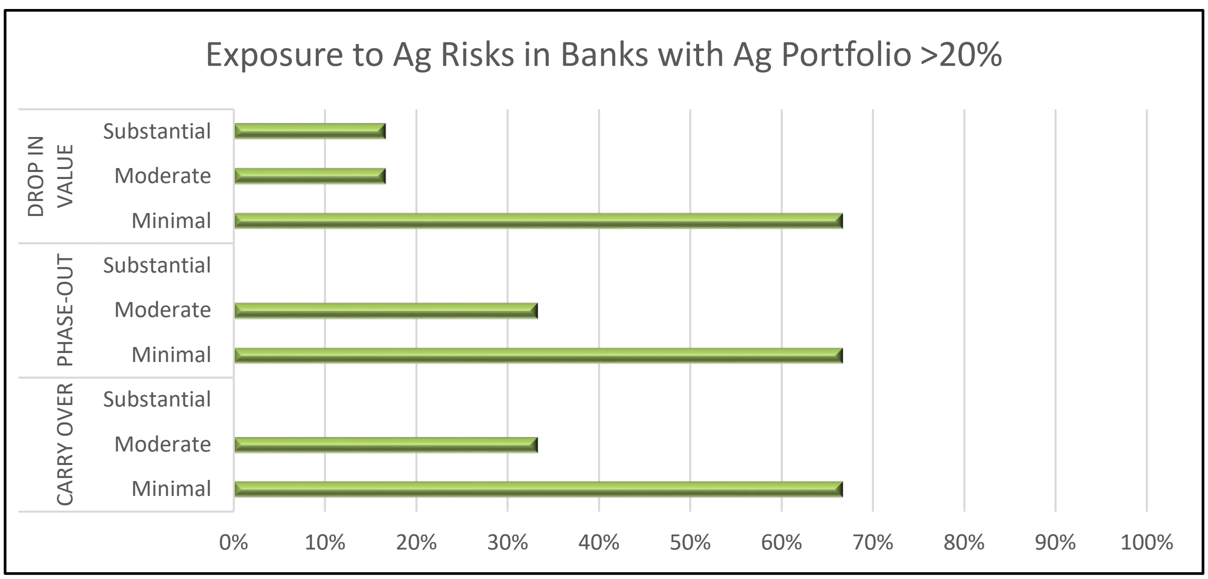


2. Indications of incurring "more than normal" risk when booking new loans or modifying existing credits was noted in only **1** of the banks during the quarter. Collateral dependence and liberal repayment terms were cited.

3. The majority of the banks examined in this quarter remain conservative in underwriting practices across all loan types reviewed. The following graph reflects the current level of underwriting practices observed in each of the four main lending areas.

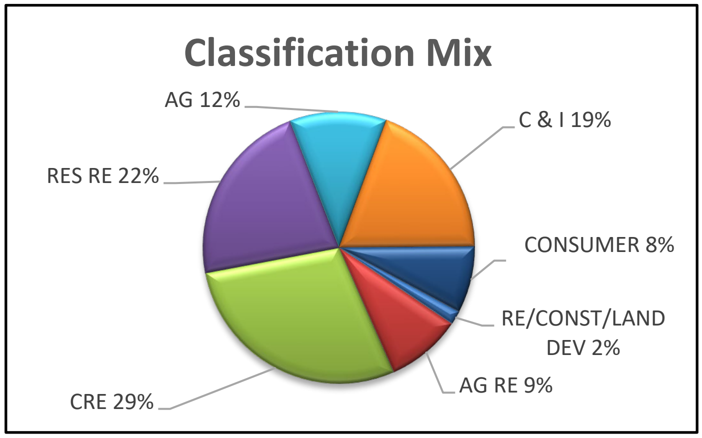


4. Agriculture loans represent more than 20% of total loans in **6** banks examined. The potential exposure to Ag risks in these banks is mostly minimal, with **1** bank noted with substantial risk if land values decline.



5. The Adversely Classified Items Coverage ratio increased in **6** of the banks examined. While most of the increases were nominal and economy related, a larger increase related to underwriting issues was noted in **1** bank.

6. The mix of total loan classifications for the **19** banks is illustrated in the adjacent pie chart. Classifications are fairly diversified, but remain mostly concentrated in commercial related loans.



OPERATIONAL

7. Most of the banks examined during the quarter exhibit conservative policies and practices in relation to investments. Moderate risk was noted in **2** banks, with **none** in the liberal category.

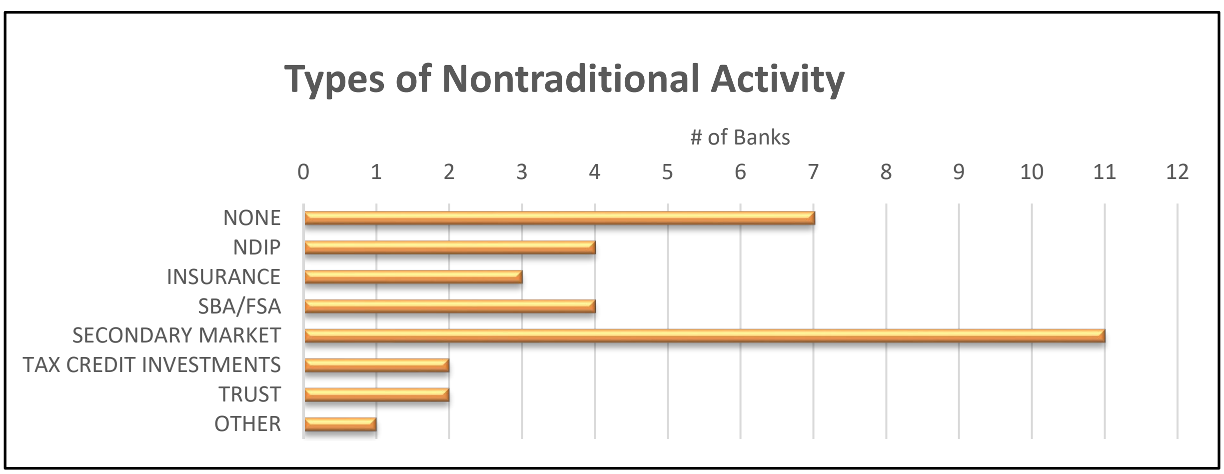
8. The majority of the banks examined during the quarter exhibit conservative funds management policies and practices. Moderate risk was noted in **1** bank, with **none** showing liberal risk.

9. Examiners identified funding concentrations in **none** of the banks examined.

10. Examiners noted **0** banks that hold a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.

11. Examiners noted **1** bank during the quarter with Internal Routine and Control weaknesses. Weaknesses were related to cash and official check procedures.

12. Several of the banks examined engage in nontraditional activities, as shown in the chart below. Other nontraditional activity relates to wealth management referral fees.

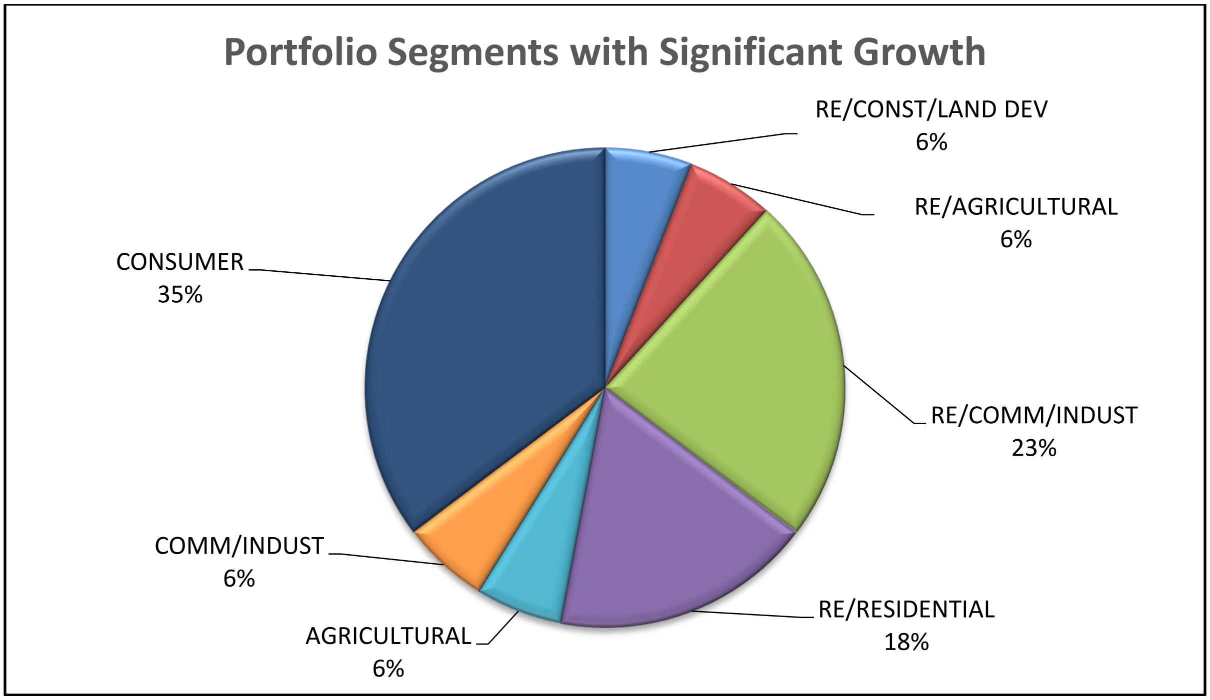


This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined during the quarter.

Date: **THIRD QUARTER 2022** Number of Banks Examined: **18**

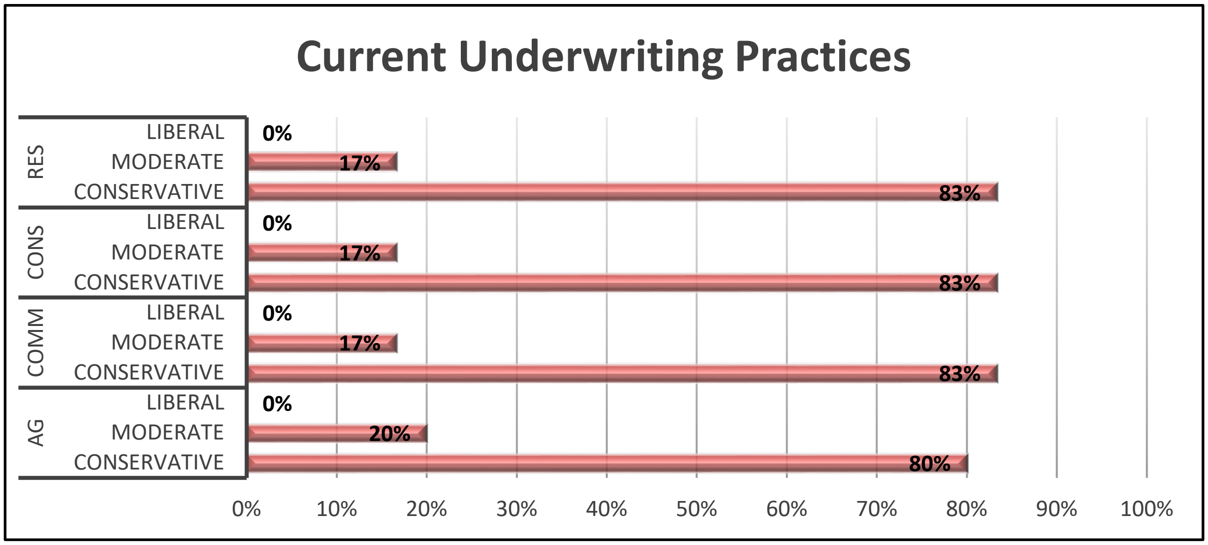
LENDING

1. Since the last examinations, **9** banks had significant growth in at least one segment of the portfolio. Significant is defined as an increase of 20% or more. The following graph illustrates the portfolio segmentation in the **9** banks for the identified growth. PPP loans no longer have an impact on any of the growth segments.

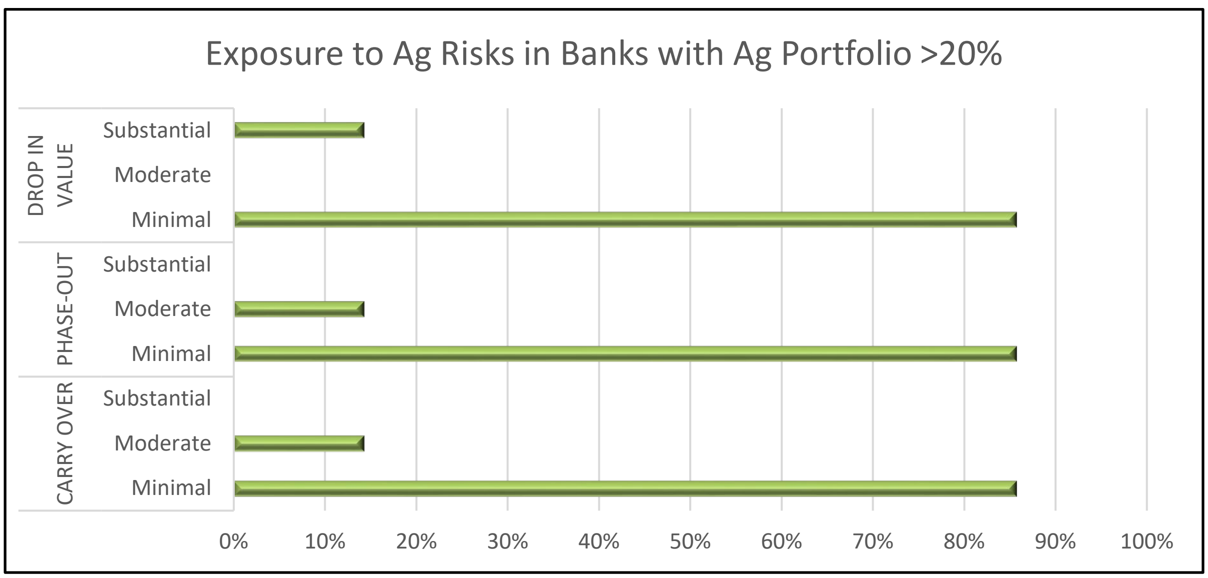


2. Indications of incurring "more than normal" risk when booking new loans or modifying existing credits was noted in **none** of the banks during the quarter.

3. The majority of the banks examined in this quarter remain conservative in underwriting practices across all loan types reviewed. The following graph reflects the current level of underwriting practices observed in each of the four main lending areas.

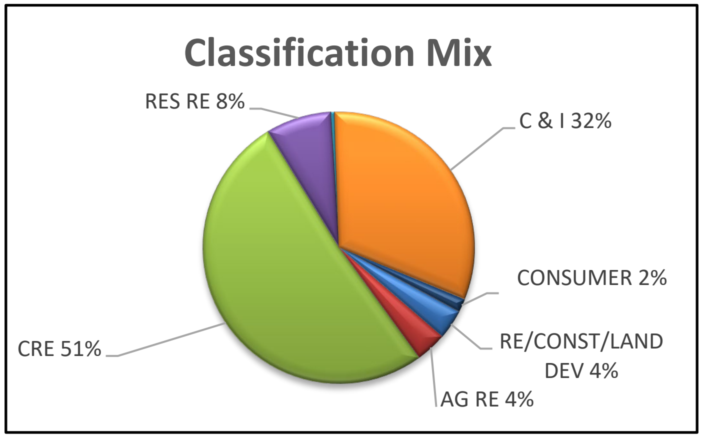


4. Agriculture loans represent more than 20% of total loans in **7** banks examined. The potential exposure to Ag risks in these banks is mostly minimal, with **1** bank noted with substantial risk if land values decline.



5. The Adversely Classified Items Coverage ratio increased in **3** of the banks examined. All increases were nominal and economy related.

6. The mix of total loan classifications for the **18** banks is illustrated in the adjacent pie chart. Classifications are heavily concentrated in commercial related loans.



OPERATIONAL

7. Most of the banks examined during the quarter exhibit conservative policies and practices in relation to investments. Moderate risk was noted in **5** banks, with **none** in the liberal category.

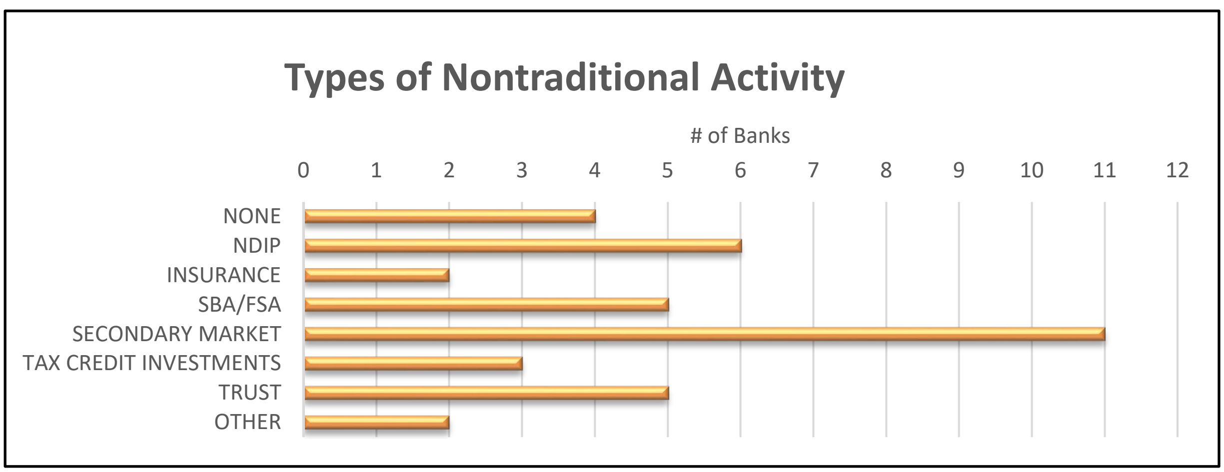
8. The majority of the banks examined during the quarter exhibit conservative funds management policies and practices. Moderate risk was noted in **2** bank, with **1** showing liberal risk.

9. Examiners identified funding concentrations in **2** of the banks examined.

10. Examiners noted **1** bank that holds a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.

11. Examiners noted **1** bank during the quarter with Internal Routine and Control weaknesses. Weaknesses were related to audit procedures.

12. Several of the banks examined engage in nontraditional activities, as shown in the chart below. Other nontraditional activity is related to tax credit lending and mortgage servicing.

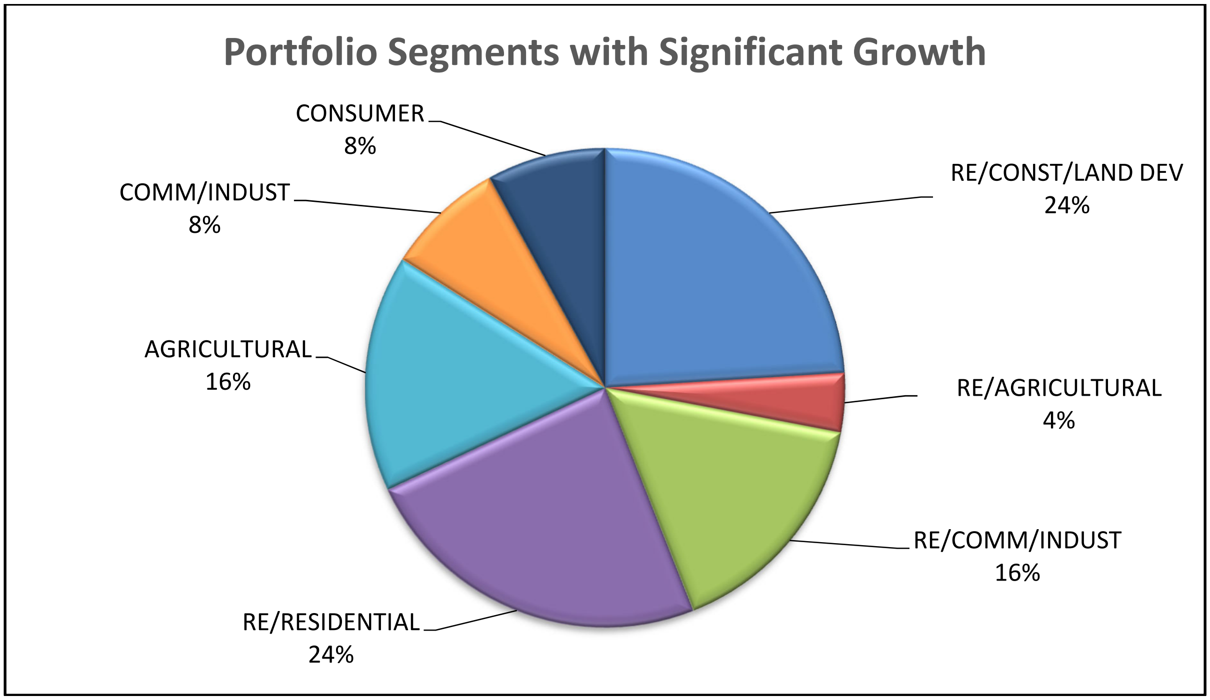


This survey is completed by bank examiners at the conclusion of each examination. Results are compiled from all banks examined during the quarter.

Date: **FOURTH QUARTER 2022** Number of Banks Examined: **18**

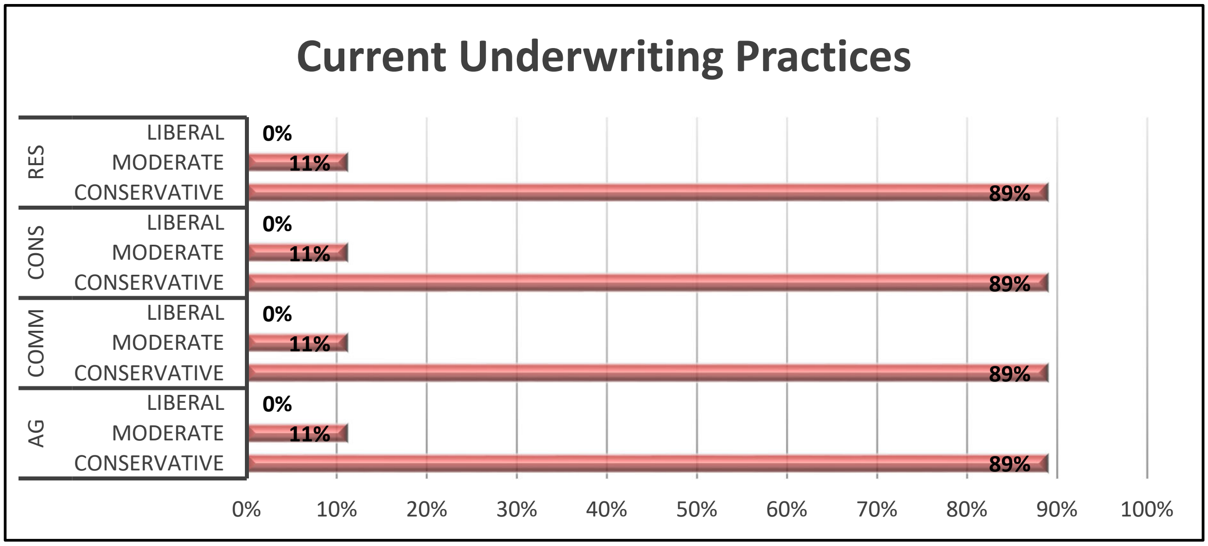
LENDING

1. Since the last examinations, **11** banks had significant growth in at least one segment of the portfolio. Significant is defined as an increase of 20% or more. The following graph illustrates the portfolio segmentation in the **11** banks for the identified growth. PPP loans no longer have an impact on any of the growth segments.

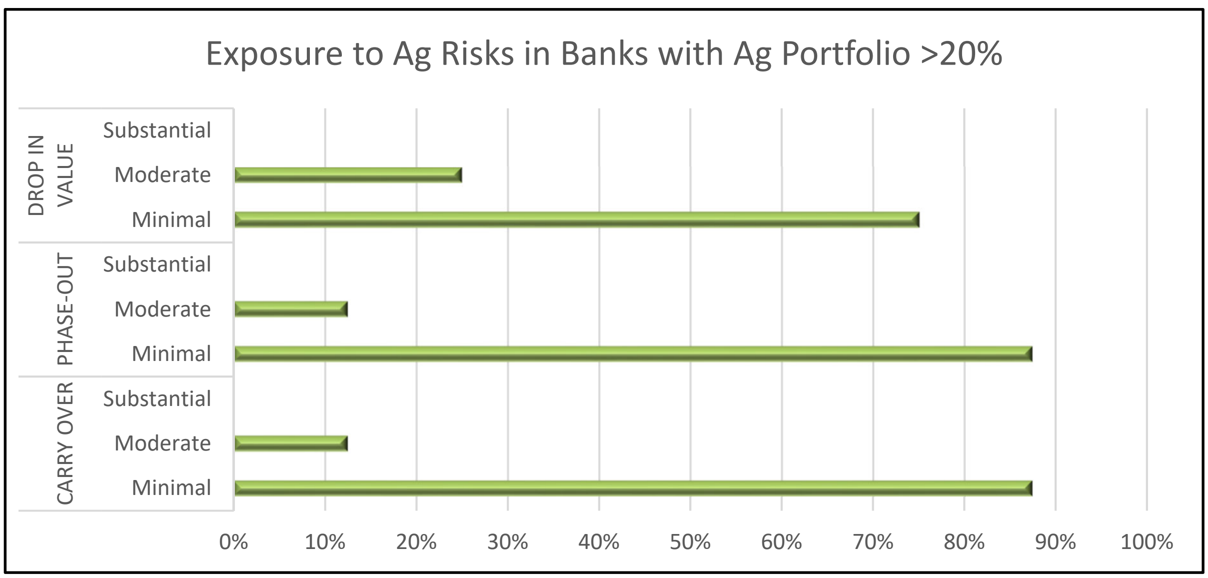


2. Indications of incurring "more than normal" risk when booking new loans or modifying existing credits was noted in **1** of the banks during the quarter. Collateral dependency was identified in this bank.

3. The majority of the banks examined in this quarter remain conservative in underwriting practices across all loan types reviewed. The following graph reflects the current level of underwriting practices observed in each of the four main lending areas.

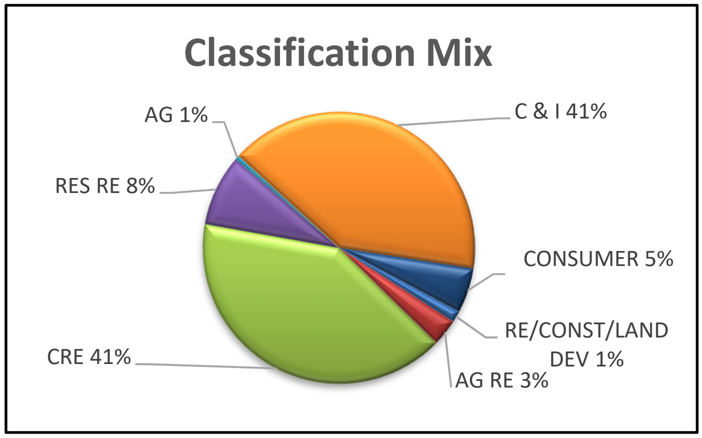


4. Agriculture loans represent more than 20% of total loans in **8** banks examined. The potential exposure to Ag risks in these banks is mostly minimal, with only a few banks noted with moderate risk.



5. The Adversely Classified Items Coverage ratio nominally increased in **4** of the banks examined. All increases were due to deterioration in existing credits.

6. The mix of total loan classifications for the **18** banks is illustrated in the adjacent pie chart. Commercial related loan totals are heavily affected by a large bank reviewed during the quarter that comprised 44 percent of total classifications. Excluding the classifications of this bank results in CRE loans increasing to 56 percent and C&I loans decreasing to 14 percent.



OPERATIONAL

7. Most of the banks examined during the quarter exhibit conservative policies and practices in relation to investments. Moderate risk was noted in **2** banks, with **none** in the liberal category.

8. The majority of the banks examined during the quarter exhibit conservative funds management policies and practices. Moderate risk was noted in **3** banks, with **none** showing liberal practices.

9. Examiners identified funding concentrations in **1** of the banks examined.

10. Examiners noted **2** banks that hold a significant position in off-balance sheet derivatives. Significant is considered 10% of total assets.

11. Examiners noted **4** banks during the quarter with Internal Routine and Control weaknesses. Weaknesses were related to audits, employee account reviews, and BSA compliance procedures.

12. Several of the banks examined engage in nontraditional activities, as shown in the chart below. Other nontraditional activity is related to a capital markets group.